

Message Text

CONFIDENTIAL

PAGE 01 HAVANA 01318 192303Z
ACTION ARA-14

INFO OCT-01 EUR-12 ISO-00 AGRE-00 EB-08 TRSE-00 OPIC-03
XMB-02 CIAE-00 DODE-00 PM-05 H-01 INR-10 L-03
NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11 /093 W
-----049612 201429Z /43

R 181959Z MAY 78
FM USINT HAVANA
TO SECSTATE WASHDC 1932
INFO AMEMBASSY BERLIN
AMEMBASSY MOSCOW
USDOC WASHDC

C O N F I D E N T I A L HAVANA 1318

E.O. 11652: GDS
TAGS: ETRD, EPAP, CU, GE
SUBJECT: EAST GERMAN CASTS OPTIMISTIC LIGHT ON CUBAN SUGAR HARVEST

REF: (A) HAVANA 0481, (B) HAVANA 1256

1. SUMMARY: EAST GERMAN COMMERCIAL COUNSELOR CLAIMS THAT CUBAN SUGAR HARVEST WILL REACH SEVEN MILLION TONS. HE STATES THAT CUBANS, AFTER SOME DELAYS, ARE FULLY SATISFYING DELIVERY COMMITMENTS TO SOVIET UNION, GDR, AND BULGARIA. END SUMMARY.

2. GDR COMMERCIAL COUNSELOR KURT BRANSCH, ACCOMPANIED BY MISS VERA STAHL AND MISS FNU TUZ (PHONETIC) OF GDR COMMERCIAL DEPARTMENT, CALLED ON USINT OFFICER, MAY 16. BRANSCH, IN REPLY TO QUESTIONS, STATED THAT CUBANS AND GDR AUTHORITIES BELIEVE THAT 1977-78 CUBAN SUGAR HARVEST WILL PRODUCE 7.2 TO 7.4 MILLION TONS OF SUGAR. BRANSCH SAID THESE ESTIMATES MAY BE SUBJECT TO ERROR, BUT IN NO CASE WILL CUBAN PRODUCTION BE LESS THAN SEVEN MILLION TONS. (COMMENT: THIS ESTIMATE SIGNIFICANTLY EXCEEDS THOSE OF MOST COMMERCIAL SUGAR BROKERAGE FIRMS AND LOCAL EMBASSIES, WHOSE ESTIMATES, ALBEIT NOT BASED ON FIRM EVIDENCE, FOCUS AROUND FIGURE OF 6.5 TO 6.6 MILLION TONS.
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 HAVANA 01318 192303Z

CUBAN PRESS DESCRIPTION OF STILL LAGGING, THOUGH RECOVERING, PRODUCTION WOULD ALSO SEEM TO ARGUE AGAINST GDR FIGURES - THOUGH CONCEIVABLY PRESS ACCOUNTS MIGHT ONLY BE AIMED AT PUSHING FREE MARKET PRICE UPWARD AND STIMULATING CUBAN LABOR FORCE.)

3. BRANSCH, CONTRADICTING HIS SOVIET COLLEAGUES (SEE REF B),

SAID THAT GDR HAS IN LAST TWO YEARS CONTRACTED FOR SUGAR DELIVERIES OF TWENTY TO THIRTY THOUSAND TONS EACH MONTH DURING ENTIRE HARVEST. ABOUT SIXTY PERCENT OF 1978 CONTRACTED DELIVERIES OF 205 THOUSAND TONS SHOULD BE COMPLETED BY END OF JUNE, BRANSCH SAID. (FYI BRANSCH SAID GDR HAD CONTRACTED FOR 1978 DELIVERY OF 20 THOUSAND TONS IN JANUARY, 30 THOUSAND TONS IN FEBRUARY, 20 THOUSAND TONS IN MARCH, 30 THOUSAND TONS IN APRIL, 20 THOUSAND TONS IN MAY, AND 30 THOUSAND TONS IN JUNE. END FYI) BRANSCH ADDED THAT GDR HAD BEEN CONCERNED WHEN CUBA HAD ONLY BEEN ABLE TO DELIVER SOME FIFTY PERCENT OF THEIR CONTRACTED COMMITMENTS IN FEBRUARY AND MARCH, BUT THAT CUBANS HAD NOW MADE UP LAGS. HE ADDED, IN REPLY TO QUESTION, THAT DELIVERIES TO BULGARIA HAD ALSO BEEN DELAYED, BUT THAT CUBANS HOPED TO MAKE UP LAGS IN MAY AND JUNE. HE SAID THAT CUBAN DELIVERIES TO SOVIET UNION, WHILE 200 THOUSAND TONS BEHIND SCHEDULE AT END OF FEBRUARY, HAD NOW RETURNED TO AGREED LEVELS.

4. BRANSCH ADDED THAT CUBAN PRODUCTION AT END OF MARCH WAS 500 THOUSAND TONS BELOW PLANNED LEVEL. HE SAID THAT LAG HAD BEEN MADE UP IN APRIL AND THAT SOME PROVINCES HAVE NOW EXCEEDED PLANNED PRODUCTION LEVELS. BRANSCH SAID THAT HE HAD BEEN INFORMED IN CIENFUEGOS LAST WEEK THAT THAT PROVINCE HAD PRODUCED ONE-HUNDRED PERCENT OF ITS PLANNED PRODUCTION AND THAT ONLY FOUR PROVINCES WOULD HAVE DIFFICULTY IN REACHING THEIR PRODUCTION GOALS.
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 HAVANA 01318 192303Z

5. BRANSCH SAID THAT GDR ESTIMATED THAT CUBAN COMMERCIAL COMMITMENTS THIS YEAR TOTAL 6.8 TO 6.9 MILLION TONS AND THAT CUBAN-SIGNED CONTRACTS IN FREE MARKET NOW AMOUNT TO 1.7 TO 1.8 MILLION TONS.

6. COMMENT: IF BRANSCH REPORT ON GDR, BULGARIAN, AND SOVIET DELIVERIES IS TRUE, CUBA WILL EITHER: A) HAVE SUGAR PRODUCTION CORRESPONDING TO LEVELS INDICATED BY BRANSCH, B) HAVE TO REDUCE STOCKS DRASTICALLY (OF COURSE, TRUE LEVEL OF CUBAN STOCKS IS NOT KNOWN)(FYI BRANSCH SPECIFICALLY DENIED THAT A STOCK REDUCTION IS OCCURRING. END FYI), OR C) WILL BE UNABLE TO SELL ITS FULL SHARE OF ISA FREE MARKET QUOTA. BRANSCH REPORT ON DELIVERIES, OF COURSE, MAY NOT BE TRUE.
LANE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUGAR, SALES, AGRICULTURAL PRODUCTION, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978HAVANA01318
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780213-0161
Format: TEL
From: HAVANA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780546/aaaabmmf.tel
Line Count: 110
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 1ecf309b-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 HAVANA 481, 78 HAVANA 1256
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 25 jul 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2654130
Secure: OPEN
Status: NATIVE
Subject: EAST GERMAN CASTS OPTIMISTIC LIGHT ON CUBAN SUGAR HARVEST
TAGS: ETRD, EPAP, CU, GC
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/1ecf309b-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014